

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

1.
 - a. Whether there should be reimbursement for dates of service 1-18-02, 3-5-02 and 5-7-02.
 - b. Provider representative, Juanita Leal, indicated during a telephone conversation on 1-6-03, that the only disputed issues remaining unpaid were HCPCS Code E0236 NU in the amount of \$45.75 and L3670 in the amount of \$298.90 for date of service 5-7-02; E0236 NU in the amount of \$45.75 and E0114 in the amount of \$76.64 for date of service 1-18-02; E0236 NU for date of service 3-5-02 in the amount of \$45.75.
 - c. The request was received on 7-31-02.

II. EXHIBITS

1. Requestor, Exhibit I:
 - a. TWCC 60 and Letter Requesting Dispute Resolution
 - b. HCFAs
 - c. EOBs
 - d. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II:
 - a. TWCC 60 and Response to a Request for Dispute Resolution
 - b. HCFAs
 - c. EOBs
 - d. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day response to the insurance carrier on 9-5-02. Per Rule 133.307 (g) (4) or (5), the carrier representative signed for the copy on 9-6-02. The response from the insurance carrier was received in the Division on 9-19-02 . Based on 133.307 (i) the insurance carrier's response is timely.
4. Notice of "A letter Requesting Additional Information" is reflected as Exhibit III of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Letter dated 5-9-02:
“We fell [sic] that you have processed this claim in error. The D.M.E. Fee Guideline clearly shows that the allowable for purchase is the reasonable we billed for on the HCFA-1500 and doe’s [sic] not exceed the TWCC fee schedule.”
2. Respondent: Letter dated 9-19-02:
“This provider bills two separate codes for these items with each amount below \$500.00 in an attempt to bypass the pre-authorization rule.”

IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only dates of service eligible for review are 1-18-02, 3-5-02 and 5-7-02.
2. The carrier denied the billed services (as reflected on the EOBs) by codes, “A – X170 – PRE-AUTHORIZATION WAS REQUIRED, BUT NOT REQUESTED FOR THIS SERVICE PER TWCC RULE 134.600”; “F – Z560 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE FEE SCHEDULE OR USUAL AND CUSTOMARY VALUES AS ESTABLISHED BY INGENIX”;
3. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT or Revenue CODE	BILLED	PAID	EOB Denial Code(s)	MARS	REFERENCE	RATIONALE:
01-18-02 03-05-02 05-07-02	E0236NU E0236NU E0236NU	\$494.00 \$494.00 \$494.00	\$448.25 \$448.25 \$448.25	F F A, F	No MAR	MFG; TWCC Rule 134.600; Durable Medical equipment (DME) Ground Rules (I), (II)	<p>The Carrier had originally denied the disputed service as not preauthorized for date of service 5-7-02. Upon reconsideration the Carrier reduced and reimbursed \$448.25 with a denial of “F” indicating that the amount reimbursed met the fee schedule or usual and customary fee. Dates of service 1-18-02 and 3-5-02 were denied as “F - Z560 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE FEE SCHEDULE OR USUAL AND CUSTOMARY VALUES AS ESTABLISHED BY INGENIX”;</p> <p>The Commission does not recognize the modifier utilized for this code, and therefore no additional reimbursement can be recommended for any of the dates in dispute.</p>
5-7-02	L3670	\$450.00	\$151.10	A, F	No MAR	MFG; TWCC Rule 134.600; Durable Medical equipment (DME) Ground Rules (I), (II)	<p>The Carrier had originally denied the disputed service as not preauthorized. Upon reconsideration the Carrier reduced and reimbursed \$151.10 with a denial of “F” indicating that the amount reimbursed met the fee schedule or usual and customary fee. No other denial codes were noted.</p> <p>There is no maximum fee allowed nor is there a usual or customary fee for this HCPCS code. Usual and customary is not the same denial as fair and reasonable. The Carrier failed to raise the denial of fair and reasonable prior to dispute filing. Therefore, additional reimbursement is recommended in the amount of \$298.90.</p>

1-18-02	E0114	\$110.00	\$33.00	F	No MAR	MFG; TWCC Rule 134.600; Durable Medical equipment (DME) Ground Rules (I), (II)	<p>The Carrier has denied the disputed service as "F" Z560 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE FEE SCHEDULE OR USUAL AND CUSTOMARY VALUES AS ESTABLISHED BY INGENIX"</p> <p>There is no maximum fee allowed nor is there a usual or customary fee for this HCPCS code. Usual and customary is not the same denial as fair and reasonable. The Carrier failed to raise the denial of fair and reasonable prior to dispute filing. Therefore, additional reimbursement is recommended in the amount of \$76.64.</p>
Totals		\$2,042.00	\$1,495.85				The Requestor is entitled to reimbursement in the amount of \$375.54.

V. ORDER

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit \$375.54 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 7th day of January 2003.

Lesia Lenart
Medical Dispute Resolution Officer
Medical Review Division

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